

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
FEDERAL HOUSING FINANCE AGENCY,
AS CONSERVATOR FOR THE FEDERAL
NATIONAL MORTGAGE ASSOCIATION
AND THE FEDERAL HOME LOAN
MORTGAGE CORPORATION,

Plaintiff,

- against -

MORGAN STANLEY, MORGAN STANLEY
& CO. INCORPORATED, MORGAN
STANLEY MORTGAGE CAPITAL
HOLDINGS LLC d/b/a MORGAN STANLEY
MORTGAGE CAPITAL, INC., MORGAN
STANLEY ABS CAPITAL I, INC.,
MORGAN STANLEY CAPITAL I, INC.,
SAXON CAPITAL, INC., SAXON
FUNDING MANAGEMENT LLC f/k/a
SAXON FUNDING MANAGEMENT INC.,
SAXON ASSET SECURITIES COMPANY,
CREDIT SUISSE SECURITIES (USA) LLC
f/k/a/ CREDIT SUISSE FIRST BOSTON
LLC, RBS SECURITIES, INC. d/b/a
GREENWICH CAPITAL and f/k/a
GREENWICH CAPITAL MARKETS, INC.,
GAIL P. MCDONNELL, HOWARD
HUBLER, DAVID R. WARREN, and
STEVEN S. STERN,

Defendants.
----- X

11 Civ. 6739 (DLC)

JOINT MOTION TO STAY PROCEEDINGS

1. On February 7, 2014, Plaintiff Federal Housing Finance Agency, as Conservator of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association (collectively, "Plaintiff"), and Defendants Morgan Stanley, Morgan Stanley & Co. Incorporated

(n/k/a Morgan Stanley & Co. LLC), Morgan Stanley Mortgage Capital Holdings LLC, Morgan Stanley ABS Capital I, Inc., Morgan Stanley Capital I, Inc., Saxon Capital, Inc., Saxon Funding Management LLC, Saxon Asset Securities Company, Gail P. McDonnell, Howard Huber, David R. Warren, and Steven S. Stern (collectively, “Defendants”) executed a settlement agreement (the “Agreement”) to resolve claims in the above-captioned action (the “Action”).

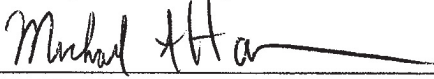
2. Under the terms of the Agreement, Plaintiff and Defendants (the “Parties”) agreed to move jointly for a stay of the claims against Defendants (“Claims”) within one business day of executing the Agreement.

3. In accordance with the terms of the Agreement, the Parties shall file jointly a stipulation of voluntary dismissal with prejudice within one business day of the GSEs’ receipt of the Settlement Payment. Presently, the Parties anticipate the Settlement Payment to be made on or before February 14, 2014;

4. The Parties, therefore, request that the Court enter the enclosed proposed order granting the Parties’ Motion to Stay Proceedings until an order dismissing and/or discontinuing the Claims and/or Action has been entered.

Dated: February 10, 2014
New York, New York

Respectfully submitted,

By: 

Marc E. Kasowitz
(mkasowitz@kasowitz.com)
Hector Torres
(htorres@kasowitz.com)
Christopher P. Johnson
(cjohnson@kasowitz.com)
Charles M. Miller
(cmiller@kasowitz.com)
Michael A. Hanin
(mhanin@kasowitz.com)
Kanchana Wangkeo Leung
(kleung@kasowitz.com)
KASOWITZ BENSON TORRES &
FRIEDMAN LLP
1633 Broadway
New York, NY 10019
Tel. (212) 506-1700
Fax (212) 506-1800

*Attorneys for Plaintiff
Federal Housing Finance Agency*

By: 

James P. Rouhandeh
(rouhandeh@davispolk.com)
Brian S. Weinstein
(brian.weinstein@davispolk.com)
Daniel J. Schwartz
(daniel.schwartz@davispolk.com)
Nicholas N. George
(nicholas.george@davispolk.com)
Jane M. Morril
(jane.morril@davispolk.com)
DAVIS POLK & WARDWELL LLP
450 Lexington Avenue
New York, New York 10017
Tel. (212) 450-4835
Fax (212) 701-5835

*Attorneys for Defendants Morgan Stanley,
Morgan Stanley & Co. Incorporated (n/k/a
Morgan Stanley & Co. LLC), Morgan Stanley
Mortgage Capital Holdings LLC (successor-in-
interest to Morgan Stanley Mortgage Capital
Inc.), Morgan Stanley ABS Capital I Inc.,
Morgan Stanley Capital I Inc., Saxon Capital,
Inc., Saxon Funding Management LLC, Saxon
Asset Securities Company, Gail P. McDonnell,
Howard Hubler, David R. Warren, and Steven
S. Stern*